

MEMORANDUM OF UNDERSTANDING
BETWEEN AUGUSTA, GEORGIA AND AUGUSTA CANAL AUTHORITY

This Memorandum of Understanding (“MOU”) is entered into as of the ____ day of _____, 2026 (“Effective Date”) by and between Augusta, Georgia, a consolidated government and political subdivision of the State of Georgia (“Augusta”), and Augusta Canal Authority, a public authority organized under the laws of the State of Georgia (“Authority”). Augusta and Authority may be referred to individually as a “Party” and collectively as the “Parties.”

1. Recitals and Purpose

1.1 Augusta owns a tract of real property consisting of approximately 84.35 acres along Riverwatch Parkway, (Map/Parcel: 027-0-006-00-0) of which Authority wishes to utilize a 0.9 acre portion of the larger tract, such portion being located on Goodrich Street, Augusta, Georgia, further described in Section 2 below (the “Property”).

1.2 Authority is responsible for the operation, maintenance, and stewardship of the first level of the Augusta Canal and periodically removes organic material (including, without limitation, aquatic vegetation, leaves, branches, sediment with vegetative matter, and similar naturally occurring materials) from the canal to maintain canal function, navigability, water quality, and public safety.

1.3 The Parties desire to enter into this MOU to allow Authority to utilize the Property for the limited purpose of disposing of, stockpiling, handling, and processing organic material removed from Augusta Canal, subject to the terms and conditions herein.

1.4 Purpose. The purpose of this MOU is to set forth the terms governing Authority’s access to and use of the Property for such limited activities and to allocate responsibilities regarding compliance, operations, environmental management, risk, and cost.

2. Property; Permitted Use; Prohibited Materials

2.1 Property Description. The Property is an approximately 0.9-acre tract located on Goodrich Street, Augusta, Georgia, as generally depicted on Exhibit A attached hereto and incorporated herein by reference.

2.2 Permitted Use. Authority’s use of the Property is strictly limited to: (a) receipt and disposal of organic material removed from Augusta Canal; (b) temporary stockpiling and staging of such organic material; and (c) processing activities incidental to handling such organic material, including dewatering, screening of incidental non-organic commingled items, chipping, grinding, or mulching of vegetative matter, and loading for off-site transport and final disposition in accordance with applicable laws (collectively, the “Permitted Use”).

2.3 Prohibited Materials. Authority shall not bring to, store on, process at, or dispose on the Property: (a) hazardous waste or hazardous substances as defined by applicable law; (b) household garbage/municipal solid waste; (c) industrial process waste or byproducts; (d) construction and demolition debris, scrap metal, tires, appliances, white goods; (e) sewage sludge or septage; or (f) any non-organic debris other than incidental commingled items that are promptly removed and properly disposed off-site in accordance with applicable law.

3. Term; Renewal; Early Access

3.1 Term. The term of this MOU shall commence on the Effective Date and continue for three (3) years, unless earlier terminated pursuant to Section 14 (the “Term”).

3.2 Renewal. This MOU shall automatically be renewed for one (1) additional term of three (3) years unless either party provides written notice of an intent not to extend the lease at least sixty (60) days prior to expiration of the primary term.

3.3 Holding Over. Any continued use of the Property after expiration or termination shall be only by written agreement; otherwise, Authority shall be deemed a tenant at sufferance and shall immediately discontinue use and restore the Property as provided in Section 9.3.

4. Access and Operations

4.1 Access. Augusta grants Authority, its employees, contractors, agents, and invitees, non-exclusive access to the Property for the Permitted Use during the Term. Authority shall coordinate ingress and egress along Goodrich Street and any designated drives as reasonably directed by Augusta.

4.2 Hours of Operation. Operations shall occur between 7:00 a.m. and 7:00 p.m., Monday through Saturday, excluding Augusta-recognized holidays, unless otherwise approved in writing by Augusta or required by emergency conditions related to canal operations.

4.3 Equipment and Traffic Control. Authority shall be responsible for all equipment used on the Property and shall implement traffic control measures, including signage, flagging, and staging, to ensure safe access and minimize congestion and interference with public roads and adjacent properties.

4.4 Fencing, Gates, and Security. Authority shall install and maintain perimeter controls, including fencing and lockable gates as approved by Augusta, to secure the Property, restrict unauthorized access, and protect public safety.

4.5 Signage. Authority shall post and maintain visible signage at the Property entrance identifying the site as a managed operations area of Authority, listing contact information for a site manager, and providing any notices required by applicable law or Augusta.

4.6 Utilities. Authority shall be responsible for arranging and paying for any utilities required for its operations, subject to Augusta approval and applicable permitting.

5. Compliance with Laws; Permits

5.1 Compliance. Authority shall, at its sole cost, conduct all activities on the Property in compliance with all applicable federal, state, and local laws, regulations, ordinances, and codes, including without limitation those governing environmental protection, solid waste handling, stormwater, erosion and sedimentation, nuisance and odor, noise, fire and life safety codes, public health, and transportation.

5.2 Permits. Authority shall obtain, maintain in full force, and comply with all permits, approvals, and licenses necessary for the Permitted Use, including any solid waste handling authorizations, stormwater permits, land disturbance permits, air quality permits, and fire department approvals, as applicable. Copies shall be provided to Augusta upon issuance and upon request.

5.3 Enforcement. Authority shall promptly correct any violation or deficiency noted by a regulatory authority or Augusta and shall notify Augusta within five (5) business days of any inspection, notice of violation, order, or enforcement action relating to the Property or operations thereon.

6. Best Management Practices (BMPs)

6.1 Containment and Runoff Control. Authority shall implement BMPs to contain organic material, prevent off-site tracking, and control stormwater runoff, including but not limited to: (a) designated stockpile areas on stabilized surfaces; (b) berms, silt fencing, wattles, or equivalent controls; (c) perimeter swales or ditches directing runoff to approved discharge or infiltration points; and (d) covers or tarps where appropriate to minimize leachate generation.

6.2 Vector and Odor Control. Authority shall manage materials to prevent vectors (insects, rodents, birds) and mitigate odors, including by maintaining proper moisture and aeration, timely processing and removal, application of bulking agents or bio-covers, and prompt management of any odor complaints in coordination with Augusta.

6.3 Dust and Noise. Authority shall control dust through water application or other measures and shall operate equipment to minimize noise, including adherence to hours of operation, use of mufflers, and positioning of operations away from sensitive receptors where feasible.

6.4 Fire Prevention. Authority shall implement fire prevention and response measures, including maintaining fire breaks around stockpiles, limiting pile size and height to _____ feet consistent with fire code guidance, maintaining access for fire apparatus, prohibiting open burning, and keeping firefighting equipment and water supply available as required by the fire code.

6.5 Housekeeping. Authority shall keep the Property neat and orderly, promptly remove incidental non-organic debris, and regularly maintain access drives to prevent rutting, tracking, and sediment deposition on public roads.

7. Prohibited Activities

7.1 No Disposal on Ground. Except as authorized by permits, Authority shall not dispose of materials into soils or waters of the State and shall prevent leachate discharges and off-site migration.

7.2 No Expansion of Use. Authority shall not conduct composting for sale, commercial transfer station operations, landfilling, or any activity beyond the Permitted Use without Augusta's prior written consent and all necessary permits.

8. Reporting, Recordkeeping, and Inspection

8.1 Records. Authority shall maintain records of quantities of material received, processed, and removed from the Property; dates of receipt and removal; and disposition locations. Records shall be retained for at least three (3) years after the end of the Term.

8.2 Reporting. Upon request, and not more than quarterly, Authority shall provide the Augusta Engineering Department with a summary report of operations, including volumes handled, complaints received and resolved, inspections, spills, incidents, and permit status.

8.3 Inspection Rights. Augusta and its designees may enter the Property at reasonable times to inspect for compliance with this MOU, provided that such entry does not unreasonably interfere with operations. Authority shall promptly address any deficiencies identified by Augusta.

9. Maintenance, Damage, and Restoration

9.1 Maintenance. Authority shall maintain the Property, improvements, and access routes used for the Permitted Use in good, clean, and safe condition, reasonable wear and tear excepted.

9.2 Damage. Authority shall repair, at its sole cost, any damage to the Property or adjacent Augusta property or rights-of-way caused by its operations, personnel, contractors, or invitees.

9.3 Site Restoration. Upon expiration or termination of this MOU, Authority shall, within thirty (30) days (or such longer period as approved by Augusta), remove all stockpiled materials, equipment, and temporary improvements; properly dispose of all wastes; stabilize disturbed areas; and restore the Property to a clean and orderly condition reasonably acceptable to Augusta.

10. Indemnification; Limitation of Liability

10.1 Indemnification. To the fullest extent permitted by law, Authority shall defend, indemnify, and hold harmless Augusta and its officers, officials, employees, and agents from and against any and all claims, demands, suits, damages, liabilities, penalties, fines, judgments, losses, costs, and expenses (including reasonable attorneys' fees) arising out of or related to Authority's use or occupancy of the Property, the Permitted Use, or any breach of this MOU, except to the extent caused by Augusta's sole negligence or willful misconduct.

10.2 Limitation of Liability. In no event shall either Party be liable to the other for incidental, consequential, special, or punitive damages arising from this MOU, except to the extent such limitation is prohibited by law or pertains to third-party claims subject to indemnification under Section 10.1.

10.3 Sovereign Immunity. Nothing in this MOU shall be construed as a waiver of any immunities, defenses, or limitations of liability available to either Party under applicable law.

11. Insurance

11.1 Coverage. Authority shall procure and maintain, at its expense, during the Term:

(a) Commercial General Liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) aggregate;

(b) Automobile Liability covering all owned, hired, and non-owned vehicles with limits of not less than One Million Dollars (\$1,000,000) combined single limit; and (c) Workers' Compensation in accordance with Georgia law and Employers' Liability with limits of not less than \$500,000 each accident, disease-policy limit, and disease-each employee.

11.2 Additional Insured; Primary and Non-Contributory. Augusta shall be named as an additional insured on the Commercial General Liability and Automobile Liability policies for claims arising out of Authority's operations at the Property. Such insurance shall be primary and non-contributory with any insurance maintained by Augusta.

11.3 Certificates. Certificates of insurance and additional insured endorsements shall be provided to Augusta prior to commencement of operations and upon renewal. Policies shall include a waiver of subrogation in favor of Augusta where available.

12. Assignment; No Third-Party Beneficiaries

12.1 Assignment. Authority shall not assign, transfer, sublicense, or permit any other entity to use the Property under this MOU without Augusta's prior written consent, which may be granted, conditioned, or withheld in Augusta's sole discretion.

12.2 No Third-Party Beneficiaries. This MOU is for the exclusive benefit of the Parties and not for the benefit of any third party.

13. Relationship of the Parties

The Parties are independent public entities. Nothing herein creates a partnership, joint venture, agency, or employment relationship between the Parties. Neither Party has authority to bind the other except as expressly provided herein.

14. Termination

14.1 For Convenience. Either Party may terminate this MOU for convenience upon sixty (60) days' prior written notice to the other Party.

14.2 For Cause. Either Party may terminate this MOU for material breach by the other Party that remains uncured after written notice and a thirty (30) day cure period; provided that if the breach cannot reasonably be cured within thirty (30) days, the breaching Party shall commence cure within such period and diligently pursue cure to completion within ninety (90) days.

14.3 Immediate Suspension. Augusta may immediately suspend operations at the Property if necessary to address an imminent threat to public health, safety, or the environment, or a violation of law or permit, pending cure.

14.4 Obligations on Termination. Upon termination or expiration, Authority shall cease operations, remove materials and equipment, and perform restoration in accordance with Section 9.3.

15. Dispute Resolution

15.1 Good-Faith Discussions. The Parties shall first attempt in good faith to resolve disputes arising under this MOU through discussions between designated senior representatives.

15.2 Mediation. If not resolved within thirty (30) days, either Party may request non-binding mediation with a mutually acceptable mediator in Richmond County, Georgia. Costs shall be shared equally.

15.3 Reservation of Rights. Nothing in this Section limits either Party's right to seek judicial relief where appropriate after satisfying the foregoing steps or where injunctive relief is necessary to prevent irreparable harm.

16. Notices

All notices under this MOU shall be in writing and deemed given when delivered personally, sent by nationally recognized overnight courier, or deposited in the United

States Mail, certified or registered, postage prepaid, return receipt requested, addressed as follows (or to such other address as a Party may designate by notice):

To Augusta: Administrator
Suite 910
535 Telfair Street
Augusta, Georgia 30901

With a copy to: Augusta Law Department
Attn: General Counsel
535 Telfair Street
Building 3000
Augusta, Georgia 30901

and to: Engineering Director
452 Walker Street
Suite 110
Augusta, Georgia 30901

To Authority: Augusta Canal Authority
Attn: Senior Director
1450 Greene Street
Suite 400
Augusta, Georgia 30901

17. Funding; Costs

17.1 Costs. Authority shall bear all costs of its operations under this MOU, including labor, equipment, materials, utilities, permits, insurance, and restoration.

17.2 Appropriations. Nothing in this MOU obligates Augusta to appropriate funds or to pay any amounts to Authority unless expressly stated herein. This MOU is subject to the availability of appropriated funds as applicable.

18. Confidentiality; Public Records

18.1 Public Records. The Parties acknowledge that documents and records in their possession may be subject to disclosure under the Georgia Open Records Act, O.C.G.A. § 50-18-70 et seq. The Parties shall comply with applicable public records laws.

18.2 Confidential Information. To the extent permitted by law, each Party shall use reasonable efforts to protect from disclosure any records designated by the other Party as confidential or exempt, and shall promptly notify the other Party of any request for such records to allow the other Party to assert any applicable exemptions.

19. Governing Law; Venue

19.1 This MOU shall be governed by and construed in accordance with the laws of the State of Georgia. Venue for any action arising out of or related to this MOU shall lie exclusively in the state or federal courts located in Richmond County, Georgia.

20. Entire Agreement; Amendments; Severability; Counterparts; Authority

20.1 Entire Agreement. This MOU constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous understandings.

20.2 Amendments. This MOU may be amended only by a written instrument executed by authorized representatives of both Parties.

20.3 Severability. If any provision of this MOU is held invalid or unenforceable, the remaining provisions shall remain in full force and effect.

20.4 Counterparts; Electronic Signatures. This MOU may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signatures transmitted electronically shall be deemed original.

20.5 Authority to Sign. Each signatory represents and warrants that he or she is duly authorized to execute and deliver this MOU on behalf of the respective Party.

21. Miscellaneous

21.1 No Liens. Authority shall keep the Property free of mechanic's and materialmen's liens arising from its activities. If any lien is filed, Authority shall bond off or discharge such lien within fifteen (15) days.

21.2 Records Access. Augusta may review Authority's records relevant to compliance with this MOU upon reasonable notice during normal business hours.

21.3 Survival. Sections 5, 8, 9.3, 10, 11 (to the extent requiring post-termination insurance for completed operations if applicable), 15.3, 17.2, 18, 19, 20, and 21 shall survive termination or expiration.

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding as of the dates set forth below.

AUGUSTA, GEORGIA

By: _____

Its: Mayor

Attest:

Clerk of Commission

[signatures continue on following page]

AUGUSTA CANAL AUTHORITY

By: _____
Its: Chair

By: _____
Its: Senior Director